

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

-against-

RICHARD XIA, a/k/a YI XIA; and  
FLEET NEW YORK METROPOLITAN  
REGIONAL CENTER, LLC, f/k/a FEDERAL  
NEW YORK METROPOLITAN REGIONAL  
CENTER, LLC;

Defendants,

-and-

JULIA YUE, a/k/a JIQING YUE, XI VERFENSTEIN,  
and XINMING YU,

Relief Defendants.

21 Civ. 5350 (PKC)

**NOTICE OF MOTION**

**PLEASE TAKE NOTICE** that upon the accompanying Declaration of M. Scott Peeler and all accompanying exhibits attached thereto, that the Court-appointed Monitor will move this Court, before the Honorable Pamela K. Chen, United States District Judge for the Eastern District of New York, at the United States Courthouse located at 225 Cadman Plaza East, Brooklyn, NY 11201, on a date and time to be determined by the Court, for an Order seeking the Court's authorization and the release of certain funds from frozen accounts of Defendants or the Xia Entities solely to pay for: (a) the renewal of the Commercial General Liability Policy for the construction project located at 42-23 Union Street, Queens, New York 11355 ("Eastern Mirage")<sup>1</sup>

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<sup>1</sup> The Mirage Property is also known as 42-31 Union Street, Queens, New York 11355, but the NYC Finance Department property tax records identify the address as 42-23 Union Street.

in the amount of One Million Dollars (\$1,000,000) each Occurrence, Two Million Dollars (\$2,000,000) general aggregate limit, issued by Peleus Insurance Company for an insurance premium of \$84,457.31 to Atlantic Coast Risk Services for one year of coverage; (b) the renewal of the Excess Liability Policy for the Eastern Mirage construction project in the amount of Five Million Dollars (\$5,000,000) each Occurrence and Five Million Dollars (\$5,000,000) annual aggregate limit issued by StarStone National Insurance Company for an insurance premium of \$40,717.50 to Atlantic Coast Risk Services for one year of coverage; (c) the renewal of the Commercial General Liability Policy the construction project located at 112-21 Northern Boulevard, Queens, New York 11368 (“Eastern Emerald”) in the amount of One Million Dollars (\$1,000,000) each Occurrence, Two Million Dollars (\$2,000,000) general aggregate limit, issued by Peleus Insurance Company for an insurance premium of \$34,884.38 to Atlantic Coast Risk Services for one year of coverage; (d) the renewal of the Excess Liability Policy for the Eastern Emerald construction project in the amount of Five Million Dollars (\$5,000,000) each Occurrence and Five Million Dollars (\$5,000,000) annual aggregate limit issued by StarStone National Insurance Company for an insurance premium of \$6,919.00 to Atlantic Coast Risk Services for one year of coverage.

Both the SEC and the Defendants are aware of the request for authorization to release certain funds to renew the insurance policies at Eastern Emerald and Eastern Mirage. The SEC consents to the request for authorization to release certain funds to renew the insurance policies at Eastern Emerald and Eastern Mirage. For the reasons set forth in the Monitor’s Declaration, Mr. Xia does not consent; however, the Monitor’s believes Mr. Xia’s concerns are untimely and unfounded. The Monitor believes it is in the interests of the investors to keep the Projects insured

against third-party personal injury and property damage, and his team can address additional insurance requirements when/if construction at the Projects is ready to recommence.

Dated: June 11, 2024

Respectfully submitted,

ARENTFOX SCHIFF LLP

By: s/M. Scott Peeler

M. Scott Peeler  
1301 Avenue of the Americas, 42<sup>nd</sup> Floor  
New York, New York 10019  
Tel: (212) 484 3900  
Fax: (212) 484-3990  
scott.peeler@afslaw.com

*Court Appointed Monitor*